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House Panel: End CIA Aid In Nicaragua

By ALFONSO CHARDY Herald Washington Bureau

WASHINGTON — Ignoring a last-minute plea from CIA Director William Casey, the Democratic-controlled House Intelligence Committee voted Tuesday to end covert U.S. aid for Nicaraguan exiles fighting against the leftist government in Managua.

The straight party-line vote of 9-5 constituted a severe blow to President Reagan's emhattled Central American policies.

The vote set the stage for the first major test of Capitol Hill sentiment since Reagan appealed to a joint session of Congress last week to support his approach to the strife-torn region.

"This is a great day in Managua

— an exciting day in Managua for the Sandinistas, a great morale boost." Republican committee member C.W. (Bill) Young of Florida said with bitter sarcasm. Young opposed the action and unsuccessfully attempted to modify the vote with a CIA-backed amendment.

The bill is a long way from becoming law. It must pass the House Foreign Affairs Committee and the full House, and go through a similar process in the Republican-controlled Senate. Reagan could then veto it.

Congressional sources said Reagan apparently has the votes to turn back a similar attempt in the Senate Intelligence Committee. After a two-hour meeting Tuesday, the Republican-dominated panel put off action until Friday on an amendment by Sen. David Durenberger (R., Minn.), to terminate funding.

Asked at a diplomatic reception about the House panel vote, Reagan told reporters: "What we're doing is perfectly proper. We'll keep right on fighting. If they [the committee members] want to be irresponsible, that's their business."

partment strategists hope to undo the House committee action before the bill ever reaches the President.

The CIA's Casey argued Tuesday that the U.S.-funded covert operations in Nicaragua were essential to the United States' credibility in Central America. In their heavy lobbying against the bill, administration officials had contended that two Central American governments might fall — Honduras and El Salvador — if the U.S. covert actions were discontinued.

Committee member Wyche Fowler (D., Ga.) said Tuesday's action would make continuation of covert activities "difficult." He indicated that the committee expects the CIA to start winding down the covert operation soon and to order the anti-Sandinista exiles to begin a withdrawal from Nicaraguan territory.

A provision in the bill that would give the CIA 45 days to "disengage" from the anti-Sandinista forces did not appear in the version approved by the committee. Staff members said a specific time limit was approved, but would not be made public. Fowler said the change was made to permit a "safer" withdrawal of the CIA-backed forces, so the Sandinistas would not be warned in advance.

The committee, which met for five hours, also approved an \$80-million fund to help "friendly" nations in Central America to interdict

Nicaraguan and Cuban arms shipments to Salvadoran guerrillas and insurgents in other nations of the region.

Details of how the committee wants the S80-million fund spent have not been spelled out, but some members say the Pentagon could replace the CIA in providing intelligence data, equipment, arms and communications and transportation equipment to the governments of Honduras, El Salvador and Guatemala to stop the flow of arms from Nicaragua and Cuba to insurgents in their regions.

One thing committee members made clear is that the CIA must not administer the program. "Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance," the bill says.

The committee dropped a flat prohibition on taking any military action "against" Nicaragua, which appeared in the original wording. Fowler said the restriction was deleted to allow the United States to assist Honduras in case of a Nicaraguan attack on that country.

"Our committee has done what the majority of the members of the committee believed had to be done, and that was to cut off covert operations in Nicaragua," said Rep. Edward Boland (D., Mass.), chairman of the intelligence panel and principal author of the bill.

"By and large, I think that what this committee has done is in the interests of our government, and I think that what we were doing in that area was counterproductive," Boland said.

"The bottom line," Boland said, "was that covert action ought to be cut off, and we ought to turn that action into an overt action, and that's exactly what we did."

Fowler, responding to Young's criticism that the vote would aid the Sandinistas, said that the action "in no way could be construed as a favor to the Sandinista government."

"It was a decision of our committee that the covert-action policy of the United States was simply contrary to the best interests of the United States of America. It was having the opposite effect for which it was initially intended. Instead of helping remove repression and remove censorship by the San-

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